WORKERS' COMPENSATION BOARD OF NOVA SCOTIA

POLICY MANUAL UPDATE

January, 2002

Enclosed is the latest update to your Policy Manual. **Please update your Manual, as detailed below, as soon as possible.**

Table of Contents

_____ Discard *entire* Table of Contents (9 pages), dated December 2000 and replace with new Table of Contents, dated January, 2002 (also 9 pages).

Section 2 – Health Care

_____ Replace Policy 2.1.1R "Workers' Travel Expenses for Health Care" approved by the Board of Directors on April 3, 1997 (2 pages), with revised Policy 2.1.1R1 approved by the Board of Directors on December 14, 2001, and effective February 1, 2002 (2 pages).

The Revised Policy 2.1.1R1, reflects a change in the applicable per diem Meal Allowance amount, from $29.00 to $30.17, based on in increase in the "Lunch" amount from $7.00 to $8.17. The revised policy also reflects a change in the "Private vehicle" mileage rate from 21c/km to 32.2c/km. This amendment, which is effective February 1, 2002, applies to travel on or after February 1, 2002.

Section 10 – General Policies

_____ Insert new Policy 10.3.9 "Procurement Policy" approved by the Board of Directors on October 12, 2001 and effective October 12, 2001 (1 page) and the Procurement Policy of the Province of Nova Scotia, dated January 26, 2001 (17 pages), immediately following Policy 10.3.8.

The purpose of the new Policy 10.2.9 is to formalize the WCB's procurement policy, reflecting the revised provincial policy. The WCB policy notes where terminology in the provincial policy is specific to government departments, it has been adapted with the appropriate terminology relevant to the WCB.

TABLE OF CONTENTS

INTRODUCTION

TABLE OF CONTENTS

INDEX

POLICY SECTIONS

1. ENTITLEMENT

OVERVIEW

1.1 Injuries

Back Injuries 1.1.1R
Coverage Police/Fire Fighters Employed in Off-Duty Hours 1.1.2
Claims Adjudication - Processing Continuing Claims 1.1.3

1.2 Occupational Diseases

Guidelines for Automatic Assumption – Injuries prior to January 1, 2000 ..... 1.2.1R
Guidelines for Automatic Assumption – Injuries on or after January 1, 2000 ..... 1.2.1A
Fee Schedule Assessment: Automatic Assumption Claims 1.2.2
Voluntary Autopsy Reports - Deceased Pneumonoconiosis Pensioners 1.2.3
Carpal Tunnel Syndrome 1.2.4R
Occupational Hearing Loss – Injuries prior to January 1, 2000 ..... 1.2.5R
Occupational Hearing Loss – Injuries on or after January 1, 2000 ..... 1.2.5AR
Workplace Noise Levels 1.2.6R
Lead Poisoning 1.2.7R
Lung Cancer - Foundry Workers 1.2.8
Lung Cancer - Coke Oven Workers 1.2.9
Medical Conditions from Coke Oven Workers other than Lung Cancer 1.2.10
Lung Cancer in Asbestos Workers 1.2.11
Mesothelioma in Asbestos Workers 1.2.12
Laryngeal Cancer - Asbestos and Nickel Workers 1.2.13

1.3 General

Loss of Wages While Undergoing Active Medical Treatment 1.3.1
Interruption of Medical Treatment - Circumstances Beyond Worker's Control 1.3.2
Rescinded 1.3.3R
Volunteer Fire Fighters 1.3.4
Criteria for psychiatric conditions: occupational stress 1.3.5

1.4 Decision Making

(rescinded) 1.4.1
(rescinded) 1.4.2
Weighing Conflicting Medical Evidence 1.4.3

2. HEALTH CARE

OVERVIEW

2.1 Workers' Expenses

Workers' Travel Expenses 2.1.1R1
(rescinded) 2.1.2R
(rescinded) 2.1.3R
(rescinded) 2.1.4R
Clothing Allowance 2.1.5R2
Attendant Allowance 2.1.6
Eyeglasses 2.1.7R
Loss of Personal Items 2.1.8

2.2 Services/Treatments

Spinal Fusion - Second Opinion 2.2.1R
Fee Schedule - Second Opinion Spinal Surgery 2.2.2
Home Breathing Machines 2.2.3
Chemonucleolysis 2.2.4
Treatment: Pain Clinic 2.2.5
Home Oxygen Therapy 2.2.6
Portable Home Oxygen Therapy 2.2.7
Epidural Analgesia and Paravertebral Blocks 2.2.8R

2.3 General

Provision of Health Care Services 2.3.1
Hospital Admissions: Semi-Private 2.3.2
Double Doctoring - Prescriptions 2.3.3
Reimbursement for Generic Drug Substitutes 2.3.4

2.4 Functional Restoration Program

Phase I - Pain Targeted Services 2.4.1R
Phase II - Multi-Faceted Pain Services: Criteria 2.4.2
Program Costs of Phase II 2.4.3
Consideration of Workers who are Beyond 12 Months of the Date of their Injury 2.4.4
Date of Injury 2.4.5
(rescinded) 2.4.6
Normal Recovery Times 2.4.7

3. SHORT-TERM and LONG-TERM BENEFITS

OVERVIEW

3.1 Earnings Profiles

Calculation of *Gross* Earnings 3.1.1R2

Calculation of *Net* Earnings 3.1.2R

3.2 Temporary Earnings-Replacement Benefit (TERB)

Calculation of Temporary Earnings-Replacement Benefit 3.2.1R
Waiting Period Without Compensation (Deductible) 3.2.2R-1
TERB - Hearings, Examinations, Treatments, etc. 3.2.3R

3.3 Permanent-Impairment Benefit (PIB)

Calculation of Permanent-Impairment Benefit 3.3.1
Permanent-Impairment Rating Schedule 3.3.2R1
Review of Permanent-Impairment Benefit 3.3.3R
Determining Permanent Impairment Ratings using the Guides to the Evaluation of Permanent Impairment (AMA Guidelines) 3.3.4

3.4 Extended Earnings-Replacement Benefit (EERB)

Calculation of Extended Earnings-Replacement Benefit 3.4.1R
Review of Extended Earnings-Replacement Benefit 3.4.2R

3.5 Estimation of Earning Ability

Definition of *Suitable* Employment 3.5.1
Definition of *Reasonably Available* Employment 3.5.2
Wage Rate to be Used in Estimating Earning Ability 3.5.3

3.6 Annuities

Amounts to be Reserved to Provide Annuity 3.6.1
Annual Reporting of Amount in Annuity Accounts 3.6.2
Payment at Age 65 ..... 3.6.3
Payment When EERB Commuted 3.6.4
Payment Where Intended Recipient Dies Before Becoming Eligible to Receive Payments 3.6.5
Payment Where Intended Recipient Dies After Becoming Eligible for Payments 3.6.6
Apportionment Where More Than One Spouse Qualifies 3.6.7
Interest to be Applied to an Annuity Account 3.6.8
Periodic Payment of Annuities 3.6.9

3.7 Permanent Disability Pensions: Injuries Before March 23, 1990

Pension Benefits 3.7.1
Commutation of Pensions 3.7.2R

3.8 Supplementary Benefits

Eligibility Criteria 3.8.1R2

3.9 General

Maximum Insurable/Assessable Earnings 3.9.1
Duration of ERB and PIB Benefits 3.9.2
Combining of Workers' Compensation Benefits 3.9.3
(rescinded) 3.9.4
Commutation of PIBs and EERBs 3.9.5
Implementation of Appeal Board Decisions on Permanent Compensation in the Absence of Measurable Impairment 3.9.6
(rescinded) 3.9.7
(rescinded) 3.9.8
(rescinded) 3.9.9
Payment of Interest on Transitional Benefits 3.9.10
Apportionment of Benefits 3.9.11
Inflation-Indexing of Benefits 3.9.12

4. VOCATIONAL REHABILITATION

OVERVIEW

4.1 Entitlement to VR Services

Eligibility for Vocational Rehabilitation 4.1.1
Extent of Vocational Rehabilitation Services 4.1.2
Goals and Objectives of Individual VR Plans 4.1.3
Non-Cooperation by Worker 4.1.4
Attendance in Training Programs 4.1.5
VR - Non-Participation - Circumstances Beyond Worker's Control 4.1.6

4.2 VR Program Expenses

Workplace Modifications 4.2.1
Tools and Equipment 4.2.2
Relocation Assistance 4.2.3

4.3 General

Eligibility of Clients While on Training and Job Search Programs 4.3.1

5. RE-EMPLOYMENT

OVERVIEW

5.1 Eligibility and Coverage

Employer Coverage 5.1.1R
Worker Eligibility 5.1.2
Case Appropriate for Re-Employment 5.1.3

5.2 Nature of Re-Employment Obligations

Determination of Date of Injury for Purposes of Re-Employment 5.2.1
Employer's Obligations Within the Re-Employment Period 5.2.2
Termination Within the Re-Employment Period 5.2.3
Worker Able to Perform Essential Duties of Pre-Injury Employment 5.2.4
Worker Able to Perform Suitable Work 5.2.5
Accommodation 5.2.6

5.3 Defenses and Exceptions

Employer Defenses 5.3.1
Collective Agreements 5.3.2
Established Hiring Practices in Worker's Trade or Occupation 5.3.3
Section 71 of Labour Standards Code 5.3.4

5.4 Enforcement of Obligation

Order to Re-Employ 5.4.1
Penalties Under Section 99 for Breach of Re-Employment Obligations 5.4.2

5.5 Appeals

Re-Employment Appeals 5.5.1

6. SURVIVOR BENEFITS

OVERVIEW

6.1 One-Time Benefits

Death Benefit 6.1.1
Burial Expenses 6.1.2
Expenses for Transportation of Body 6.1.3
Death of a Worker While in Receipt of Compensation 6.1.4

6.2 Periodic Benefits

Survivor Pension 6.2.1R
Survivor Pension - More Than One Spouse Qualifies 6.2.2
Dependent-Child Benefit 6.2.3
Discretionary Benefits to Surviving Dependants 6.2.4
Benefits to Person Standing in Place of Parent 6.2.5
Recalculation of Benefits When One Dependant Ceases to Qualify 6.2.6
Duration of Payments to Dependants 6.2.7R
Annuity 6.2.8R

6.3 **General**

Death Prior to February 1, 1996 ..... 6.3.1R

7. **SPECIALIZED ADJUDICATION**

OVERVIEW

7.1 **Transitional Claims - Temporary Disability**

Benefits On or After February 1, 1996 for Injuries Before February 1, 1996..... 7.1.1

7.2 **Transitional Claims - Permanent Disability**

Recalculation of Awards Where Injury Occurred On or After March 23, 1990 ..... 7.2.1

7.3 **Amended Interim Earnings Loss**

Statement of Principles 7.3.1
Eligibility for Award..... 7.3.2
(Rescinded)..... 7.3.3
Effective Date of Awards..... 7.3.4
Calculation of Award..... 7.3.5
Pre-Accident Earnings 7.3.6
Indexing of Pre-Accident Earnings..... 7.3.7
Post-Accident Earnings - Documentation 7.3.8
Post-Accident Earnings - Canada Pension Plan (CPP) Disability Benefits..... 7.3.9
Post-Accident Earnings - Permanent Partial Disability Awards 7.3.10
Duration of Benefits 7.3.11
Workers Reaching Normal Retirement Age 7.3.12
Commutation of Awards..... 7.3.13
Reinstated AIEL Benefit for pre-March 23, 1990 injuries..... 7.3.14

7.4 **Recalculation of Long-Term Benefits Pursuant to Section 228**

(rescinded) 7.4.0
(rescinded) 7.4.1
(rescinded) 7.4.2
(rescinded) 7.4.3
(rescinded) 7.4.4
(rescinded) 7.4.5
(rescinded) 7.4.6
(rescinded) 7.4.7

7.5 **Compensation for chronic pain for injuries on or after March 23, 1990 and up to January 31, 1996.**

(rescinded) 7.5.1

(rescinded) 7.5.2
(rescinded) 7.5.3R
(rescinded) 7.5.4R
(rescinded) 7.5.5
Criteria for compensation for chronic pain 7.5.6

8. INTERNAL APPEALS

OVERVIEW

8.1 Internal Appeals Process

(rescinded) 8.1.1
(rescinded) 8.1.2R
Appeals and Referral to a Hearing Officer 8.1.3R-1
Participants in an Appeal 8.1.4R
(rescinded) 8.1.5
Referrals to Medical Review Commission 8.1.6
Reconsideration Pursuant to s.185(2) Where a Final Decision of the Board Addressing an Issue Has Been Rendered 8.1.7R-1
Requests for reconsideration pursuant to former s.196 of Chapter 10 of the Acts of 1994-1995 ..... 8.1.6

8.2 Referrals to the Chair

Adjournment and Referral of Appeal by Hearing Officer to Chair of Board of Directors 8.2.1
Interim Awards During Adjournment 8.2.2

9. ASSESSMENTS AND COLLECTIONS

OVERVIEW

9.1 Scope of Coverage

Continuous Coverage - Less Than Three Workers 9.1.1R
Special Protection Coverage 9.1.2
Coverage for contractors and subcontractors which employ less than three workers 9.1.3

9.2 Classification of Firms

Multiple Classification - Eligibility 9.2.1
Classification of Firms not Eligible for Multiple Classification 9.2.2

9.3 Rate Setting

Classification, Rate Setting and Experience Rating Process 9.3.1R
Temporary Transition 9.3.2RA

Transition 9.3.2R1
Data Used in Rate Setting at Rate Group Level 9.3.3R
Costs Used for Fatal Claims for Rate Setting 9.3.4
Claims Costs Which are Excluded from Rate Setting 9.3.5R

9.4 Experience Rating

Experience Rating Participation 9.4.1R1
Maximum Merit or Demerit 9.4.2R1
Data Used in Experience Rating 9.4.3R
Claims Costs which are Excluded from Experience Rating 9.4.4R
Costs Used for Fatal Claims for Experience Rating 9.4.5

9.5 Penalties

Charge for Late Reporting of Payroll Statements 9.5.1R
Charge for Unpaid/Overdue Assessments 9.5.2R
Penalty for Failure to Register with the Board 9.5.3R
Late Reporting of Year-end Subcontractor Report 9.5.4

9.6 Apportionment of Claims Costs

Effective Date for Apportionment 9.6.1
Apportionment of Claims Costs under Concurrent Employment 9.6.2
Apportionment of Claims Costs under a Rehabilitation Program 9.6.3
Apportionment of Claims Costs for Learners 9.6.4
Apportionment of Claims Costs for Workers Under 30 ..... 9.6.5
Employer Cost Relief for Overpayment 9.6.6

9.7 Collections

Write-Off of Uncollectible Accounts 9.7.1

9.8 General

Backdating Coverage 9.8.1R
Under Reporting of Payroll 9.8.2R1
(rescinded) 9.8.3
Holdback of Assessment Premium from Contractors and Subcontractors 9.8.4
Definition of Assessable Earnings 9.8.5

10. GENERAL POLICIES

10.1 Reporting of Accidents
Accident Reporting: Duties of Employers 10.1.1R
Accident Reporting - Penalties 10.1.2

10.2 Benefit Overpayments

Recovery of an Overpayment 10.2.1R
Appealing an Overpayment 10.2.2

10.3 Administration

Quality of Service Assurance 10.3.1
Retroactivity of Policy Changes 10.3.2R
(rescinded) 10.3.3
Photocopying of Clients' Files 10.3.4
Access by Employers to Information Contained in Clients' Claim Files 10.3.5
Provision of Information to Canada Pension Plan 10.3.6
Fraud and Misrepresentation 10.3.7R
Investment Policy 10.3.8
Procurement Policy 10.3.9

GLOSSARY

***WORKERS' COMPENSATION ACT* and REGULATIONS**

WORKERS' COMPENSATION BOARD OF NOVA SCOTIA

POLICY

NUMBER 2.1.1R1

Effective Date: February 1, 2002*

Topic: Workers' Travel Expenses for Health Care

Date Issued: January 14, 2002

Section: Health Care

Date Approved by Board of Directors: December 14, 2001

Subsection: Workers' Expenses

Policy Statement:

1. General

   The Board may provide for any injured worker any medical aid the Board considers necessary or expedient as a result of the compensable injury. Expenses related to transportation, meals and accommodation incurred by injured workers during case management, and as a result of the compensable injury, will be considered for coverage. Workers will be advised of this policy when they are approved to begin treatment.

2. Meal Allowance

   A meal allowance may be provided to workers who must be away from their home over a meal period. Coverage of meals must be pre-authorized by the WCB case worker. A per diem amount of $30.17 (including gratuities) can be paid, comprised of:

Breakfast	$6.00
Lunch	8.17
Dinner	16.00
Total	$30.17

3. Commercial Travel (within province)

   When a worker accesses commercial travel within the province, subject to pre-authorization by the case worker, coverage is a s follows:
   a) bus or train fare – actual fare, based on receipts
   b) air fare – actual fare, based on receipts

4. Travel in Local Areas:

   Cost of travel in local areas for medical treatment and Board-arranged appointments, will be paid as follows:

Policy Statement: (continued)

a) actual bus, train fares;
b) private vehicle – mileage at 32.2c/km and
c) taxi fares will be paid if pre-authorized, or circumstances justify and proper receipts are provided.

5. Use of Private Vehicle

A client may use his/her own vehicle for transportation purposes to access services necessitated by the compensable injury, if this use has been pre-authorized by the Board. Authorized vehicle use will be reimbursed at the rate of 32.2c/km.

6. Out-Of-Province Travel

All out-of-province travel must be pre-authorized by the case worker. The most appropriate mode of travel (taking into account the worker's needs, and the need for economical travel) will be approved. Actual costs will be reimbursed based upon receipts. Where possible (e.g. commercial travel, hotel accommodations) costs will be charged directly to the Board.

7. Accommodations – Public and Private

Workers will be provided with overnight accommodations when the need arises, pre-authorized by the Board. Where possible, costs will be charged directly to the Board, otherwise reimbursements will be based on receipts.

8. Escorts

Expenses related to escorts may be paid. Each claim must be reviewed on individual merit.

Application

*This Policy applies to travel on or after February 1, 2002. This Policy replaces predecessor Policy 2.1.1R.

References:

Workers' Compensation Act (Chapter 10, Acts of 1994 – 95), Section 102.

Executive Corporate Secretary

WORKERS' COMPENSATION BOARD OF NOVA SCOTIA

POLICY

NUMBER: 10.3.9

Effective Date: October 12, 2001
Date Issued: November 15, 2001
Date Approved by Board of Directors: October 12, 2001

Topic: **Procurement Policy**
Section: General Policies
Subsection: Administration

Policy Statement

1. The Workers' Compensation Board (WCB) has a full procurement policy which defines the policies and procedures used to determine the method for procuring goods and services required at the WCB. The WCB's Procurement Policy follows the Province of Nova Scotia Policy on Government Procurement, dated January 26, 2001, except in areas where terminology is different due to the nature of the organizational structure of the WCB.

   A quarterly report will be presented to the Audit and Finance Committee outlining all procurement for the previous quarter, including copies of any Alternative Procurement Practices Approval forms.

   Reference to the following positions and Departments in the Provincial Policy should be replaced with those listed below:

Province	WCB
1. Deputy Minister	1. Chief Executive Officer
2. Procurement Branch of the Department of Transportation & Public Works	2. Administration Department of the Workers' Compensation Board of NS
3. Province's Corporate Financial Management System	3. In the WCB's Administrative records
4. Minister of Transportation & Public Works	4. Audit & Finance Committee of the Workers' Compensation Board of NS

2. A copy of the Provincial Procurement Policy is attached. This document along with others is available at the Province of Nova Scotia's web site at www.gov.ns.ca/finance/tour (click on Policies).

Application

This Policy applies to all decisions made on or after October 12, 2001.

References

Workers' Compensation Act (Chapter 10, Acts of 1994-95, as amended), sections 151(1), 169 and 183(2).

Executive Corporate Secretary

Department of Transportation
& Public Works
Procurement Branch

Procurement Policy

Province of Nova Scotia
Policy on
Government Procurement

January 26, 2001

This publication has been produced by the
the Procurement Branch of the Department of Transportation & Public Works. This document is available in electronic format at www.gov.ns.ca/tran (click on Tenders button)

A printed version can be obtained at the Procurement Branch, 6176 Young Street, Halifax, N.S. B3K 2A6. Telephone 902-424-3333, Facsimile 902-424-0622

Contents

1. Policy Objective 1
2. Definitions 1
3. Application 2
4. Procurement of Goods 3
5. Procurement of Services 3
6. Procurement of Construction 4
7. Procurement of Facilities 4
8. Alternative Procurement Practices 4
9. Other Considerations 6
10. Pre-Qualification 7
11. Fair Treatment for Nova Scotia Suppliers 7
12. Bid Opening, Evaluation, and Award Information 7
13. Approvals, Information and Reporting 8

1. Policy Objective

The objective of this policy statement is to establish and maintain a high level of confidence in the procurement process by ensuring that all public sector procurement is carried out in an open, fair, consistent, efficient, and competitive manner.

The Government of Nova Scotia is committed to

- ensuring that the government's requirements for goods, services, construction, and facilities are met through an open and fair process that provides the highest degree of competition and value to the Province
- ensuring that all bidders have reasonable notice and opportunity to tender
- fostering economic development by giving every capable Nova Scotia supplier the opportunity to do business with the government
- encouraging Nova Scotia businesses to be competitive and to sustain quality product development
- adhering to the Agreement on Internal Trade and the Atlantic Procurement Agreement, which create economic opportunities for Nova Scotians
- treating out of province bidders in the same way as their jurisdictions would treat bidders from Nova Scotia
- being accountable to the public for procurement decisions

2. Definitions

For the purposes of this policy, the following definitions are provided.

Invitation to Tender

An invitation to tender (also referred to as request for bids or request for quotations) solicits competitive bids. It is used when the requirement is adequately defined to permit the evaluation of tenders against clearly stated criteria and specifications. The tender document describes the specifications to be met and the terms and conditions that will apply.

Request for Proposal

A request for proposal is used when a supplier is invited to propose a solution to a problem, requirement, or objective. Suppliers are requested to submit detailed proposals (also referred to as bids) in accordance with predefined criteria. The selection of the successful proposal is based on the

effectiveness, value, and price of the proposed solution. Negotiations with suppliers may be required to finalize any aspect of the requirement.

Request for Expression of Interest

The Request for the Expression of Interest is similar to the Request for Proposal, where suppliers are invited to propose a solution to a problem. The EOI, however, is only the first stage in the procurement process. Bidders responding to the EOI will be short listed according to their scoring in the evaluation process. The short listed firms will then be invited to respond to a Request for Proposal. The selection process will be the same as the Request for Proposal

Department

In this policy "department" includes agencies, boards, and commissions that are subject to the Auditor General Act, or other public sector entities for whom compliance with this policy has been directed by the minister responsible.

Unsolicited Proposals

Unsolicited proposals are submissions from any source where the originator believes the proposal may be of benefit to the Province. These proposals are not in response to a tender call or other type of request from government.

3. Application

This policy applies to all departments, agencies, boards, and commissions of the Government of Nova Scotia, effective January 26, 2001.

Public-sector entities that are provincially funded, such as academic institutions, school boards, hospitals, and Crown corporations, will adopt this policy, effective January 26, 2001.

The deputy minister of a government department or head of an agency, board, commission, or other public-sector entity is responsible for ensuring conformity with this policy.

Any employee of a department, agency, board, commission, or other public-sector entity who has responsibility for the procurement of goods, services, construction, or facilities must adhere to this policy.

Except as otherwise noted, this policy applies to all goods, services, construction, and facilities procured by purchase, contract, lease, or long-term rental.

The Minister of Transportation & Public Works is responsible for promoting and implementing this policy.

4. Procurement of Goods

Goods with an estimated value of up to and including $5,000 will be acquired by departments at competitive prices in accordance with procedures established by the Procurement Branch of the Department of Transportation & Public Works.

Goods with an estimated value above $5,000 will be posted on an electronic public bid notice system website. In addition, bids may also be invited from selected suppliers where required to ensure an adequate degree of competition.

Bids will be evaluated not only on the price submitted but also on such factors as quality, delivery, servicing, and the capacity of the bidder to meet the criteria stated in the bid documents. Unless there is a valid and written rationale for the contract award, available for public review, the lowest competent tender will be accepted.

5. Procurement of Services

Services with an estimated value of up to and including $10,000 will be acquired by departments in accordance with procedures established by the Procurement Branch of the Department of Transportation & Public Works.

Services with an estimated value above $10,000 will be posted on an electronic public bid notice system website. In addition, bids or proposals may also be invited from selected suppliers where required to ensure an adequate degree of competition.

In order to establish the best value of the services offered, bids will be evaluated on price, qualifications, experience, past performance, and the capacity of the bidder to meet the criteria stated in the bid documents. Unless there is a valid and written rationale for the contract award, available for public review, the lowest competent tender will be accepted.

Specialized Services

Procurement of specialized services may require different processes to reflect the unique nature of the service.

Insurance Services

All insurance service requirements valued at more than $10,000 will be acquired by public tender at intervals not greater than every five years. Insurance will normally be tendered based on major insurance service categories.

Major insurance services may be renewed on an annual basis up to the five-year maximum on terms satisfactory to the Province. Otherwise, the service may be put to competitive tender call at any annual renewal date.

Architectural, Engineering, and Surveying Services

Requirements for consultants for assignments with an estimated value of up to and including $50,000 will be acquired through a public notice inviting consultants to submit corporate qualifications, to be updated at the consultant's initiative. The submissions will be in a prescribed format to facilitate the development of a departmental data base. Consultants will be selected from the departmental data base and interviewed, and a fee will be established.

Consultants for assignments with an estimated value greater than $50,000 will be selected as a result of a public advertisement and posted on an electronic public bid notice system website .

The services of these professional groups will be obtained through a qualifications-based selection process, which will include an assessment of competence, experience, cost, and other factors specific to the requirement as identified in the guidelines.

6. Procurement of Construction

Construction requirements with an estimated value of up to and including $10.000 will be acquired by departments at competitive prices, in accordance with procedures established by the Procurement Branch of the Department of Transportation & Public Works.

Construction requirements with an estimated value above $10.000 will be posted on an electronic public bid notice system website . In addition, bids or proposals may also be invited from selected suppliers where required to ensure an adequate degree of competition.

Construction competitions will be carried out in accordance with the Construction Contract Guidelines developed by the Department of Transportation & Public Works.

Bids may be evaluated on price, past performance, and the capacity of the bidder to meet the criteria stated in the bid documents. Unless there is a valid and written rationale for the contract award, available for public review, the lowest competent tender will be accepted.

7. Procurement of Facilities

All building lease requirements are to be acquired by way of public advertisement, in accordance with the Government's Facilities Procurement Guide developed by the Department of Transportation & Public Works.

8. Alternative Procurement Practices

Departments wishing to make use of an Alternative Procurement Practice, with the exception of an emergency situation, are to consult with the Procurement Branch to identify the most appropriate means by which to proceed with the satisfaction of the requirement. If in agreement, the Department and Procurement Branch will make a joint request to the Deputy Minister of the requesting Department who will then approve or reject the recommendation. In case or cases of a disagreement

between the Department and the Procurement Branch the Department may present the proposed Alternative Procurement to their Deputy Minister for consideration and decision.

It is the Deputy Minister's responsibility to ensure that all procurements made by their Department are properly documented and recorded in the Province's Corporate Financial Management System.

Procurement processes other than those described in this policy statement may be used in circumstances such as those described below. Such processes are not to be used for the purpose of avoiding competition or to discriminate against specific suppliers. Each instance requires the prior approval of the appropriate Deputy Minister. These circumstances are:

8.1 an unforeseeable situation of urgency or emergency where the good, service, or construction requirement cannot be obtained by means of open procurement procedures

8.2 a situation where tendering could reasonably be expected to compromise government confidentiality, cause economic disruption, or otherwise be contrary to the public interest

8.3 to ensure compatibility with existing products; to recognize exclusive rights, such as exclusive licenses, copyright, and patent rights; or to maintain specialized products that must be maintained by the manufacturer or its representative

8.4 where, for technical reasons, there is an absence of competition, and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists

8.5 the procurement of goods or services for which there is a statutory monopoly that is controlled by a supplier

8.6 the purchase of goods on a commodity market

8.7 work to be performed on or about a leased building, or portions thereof, that may be performed only by the lessor

8.8 work to be performed according to the provisions of a warranty or guarantee

8.9 the procurement of a good or service to be developed in the course of and for a particular contract for research, experiment, study, or original development, but not for any subsequent purchases

8.10 the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases

8.11 the procurement of original works of art

8.12 the procurement of subscriptions to newspapers, magazines, or other periodicals

8.13 processes that foster the development of minority businesses

8.14 processes that foster the development of sheltered workshop programs.

8.15 goods intended for resale to the public

8.16 goods and services from persons with disabilities, philanthropic institutions, or through employment equity programs

8.17 services of expert witnesses, specifically in anticipation of litigation or for the purpose of conducting litigation

8.18 medical services for persons in the care and custody of the Province

8.19 procurement of goods or services from another level of Government

Unsolicited Proposals

Where an unsolicited proposal is received, the government may consider a range of options, including a pilot project, partnership, or other arrangement, that will be undertaken to assess the merit of the proposal.

All unsolicited proposals require prior approval by the Deputy Minister of the sponsoring department.

9. Other Considerations

Amendments

This policy may be amended from time to time with the approval of the Executive Council. Such amendments will be communicated to the public.

Cooperative Purchasing

The government encourages the joint purchasing of goods and services used by all levels of the public sector when the arrangement results in overall cost savings or other substantial advantages. Crown corporations and organizations in the MASH sector (i.e., municipalities, academic institutions, school boards, and hospitals) may participate when such an arrangement will benefit both their organization and the Province.

Environmental Considerations

Where appropriate, the integration of environmental considerations into government procurement is encouraged. Procurement specifications will identify these considerations to ensure suppliers have a full understanding of the conditions to be met.

10. Pre-Qualification

Products and suppliers of goods, services, and construction may be pre-qualified prior to the close of call for tenders. This qualification process must be consistent with the principles of open and fair access to the opportunity provided for in this policy.

Suppliers may be subject to disqualification if there is sufficient evidence of consistent failure to meet the standards specified by the government.

11. Fair Treatment for Nova Scotia Suppliers

The Province of Nova Scotia is committed to ensuring that its supplier community receives fair treatment in their dealings elsewhere in Canada. To help ensure fairness the Procurement Branch may consider and evaluate bids from other jurisdictions on the same basis that the Purchasing Authorities in those jurisdictions would treat a similar bid from a Nova Scotia supplier.

Where a reciprocal treatment assessment could result in a change in an award decision the Deputy Minister of the requesting department will be presented with the options available and will make the determination of which bid or bids will be awarded the contract.

12. Bid Opening, Evaluation, and Award Information

Bid Opening

Bid submissions are opened in public in accordance with the closing time, date, and place stipulated in the bid request. Members of the public may attend bid openings or may receive the information electronically after bid opening.

All bid submissions are subject to evaluation after opening and before award of contract.

Bid Evaluation

Bids may be evaluated not only on the price submitted but also on quality, delivery, servicing, and the capacity of the bidder to meet the requirements and criteria stated in the bid request documents. The bid request documents must clearly identify the requirements of the procurement, the criteria that will be used in the evaluation of bids, and the methods of weighting and evaluating the criteria.

Award Information

After contracts have been awarded, all tender documents are available to the public, subject to the provisions of the Freedom of Information and Protection of Privacy Act.

On request, bidders are entitled to receive an explanation and a debriefing on their bid submission.

13. Approvals, Information and Reporting

Where a procurement is to be undertaken that is a sole source/alternative procurement, an unsolicited proposal, or is to be for a price other than the lowest tender, the deputy minister in the client department must approve the procurement, in consultation with the Procurement Branch. A report of these transactions will be prepared by the Procurement Branch on a regular basis and forwarded to the Minister of Transportation & Public Works.

All procurement activities will be subject to audit by the Auditor General.

All procurement activities will also be subject to audit by the Procurement Branch or by departmental internal auditors.

Departments must ensure that all procurement transactions are properly authorized, recorded in the Provincial Corporate Financial Management System, and supported by appropriate documentation. Repeated failure to comply with the Procurement Policy may result in the withdrawal of Purchasing Authority from an individual, Branch or Department.

For further information or clarification regarding government procurement policy please contact:

Gregory W. Lusk
Executive Director, Government Services
Nova Scotia Department of
Transportation & Public Works
Procurement Branch
P.O. Box 186
Halifax, Nova Scotia
B3J 2N2
phone: (902) 424-5731
fax: (902) 424-2014
e-mail: luskg@gov.ns.ca

SUMMARY OF PROCUREMENT POLICY CHANGES

	GOODS	SERVICES	CONSTRUCTION	FACILITIES
Local Authority	To $5,000	To $10,000	To $10,000	Under 2,500 sq. ft.
Website & Specific Invitations	$5,000+	$10,000+	$10,000+	Over 2,500 sq. ft.
Website & Specific Invitations, with Newspaper Advertising as an Option	$25,000+	$50,000+	$100,000+	over 2,500 sq. ft.

- Requirements above delegated thresholds, are available to**all** interested bidders through the Nova Scotia Procurement website.
- Requirements over the Atlantic Agreement Thresholds may also be publicly advertised in a newspaper.
- The above may also be augmented by specific invitations of vendors selected by the buyer.
- The Province of Nova Scotia will evaluate bidders from other jurisdictions in the same manner as a Nova Scotia bidder would be evaluated by that bidder's jurisdiction.
- Purchases of goods or services from another level of government may be placed sole source and recorded as an alternative procurement practice.

Changes from Present Policy

- Delegation for local purchase of goods increased from $1,000 to $5,000 per transaction.
- Delegation for local purchase of services and construction increased from $5,000 to $10,000 per transaction.
- Expansion of use of a purchasing card to improve payment processes and reduce paper.
- Deputy Ministers approve exceptions to the Policy with a report submitted to government on a regular basis.
- Jurisdictions which discriminate against Nova Scotia suppliers will receive similar treatment in the evaluation of bids submitted to us.

January 26, 2001

Revised Procurement Policy - Procedures Overview

Introduction

The revised procurement policy is being issued to accomplish the following goals:

a. To re-emphasize the Government Procurement Policy approved in 1996 and to present departments with the new revised practices.
b. To increase the frequency and value of government purchases done in local areas/regions of Nova Scotia.
c. To streamline the payment process by allowing departments to pay for the delegated purchase of goods, services and construction requirements using a purchasing card.
d. To delegate the approval of sole source/alternative procurement practices to the Procurement Branch and the deputy responsible for the particular purchase, while keeping government informed of the transaction.
e. To ensure Nova Scotia firms are treated fairly by other jurisdictions in the bidding process.

Procedures

Departments, agencies, boards and commissions will use one of the following four procedures in procuring their goods, services, or construction requirements.

a. Process goods, services and construction under the delegated purchasing procedures described in this directive. The delegated thresholds are:
   (i) goods $5,000 per transaction
   (ii) services $10,000 per transaction
   (iii) construction $10,000 per transaction
b. For requirements above the delegated thresholds, submit a requisition for the requirement using CFMS/SAP procedures, which will result in a tender/RFQ/RFP being issued to meet the goods, services or construction requirement.
c. Purchase the requirement using an existing standing offer up to a limit of $25,000 per transaction.
d. In conjunction with the deputy minister of the department and the Procurement Branch, obtain approval to use a sole source/alternative procurement practice. The deputy minister of the department will, in turn, notify government of the practice via the regular report produced by the Procurement Branch for the Minister of Transportation & Public Works. A copy of the Alternative Procurement Practice form is attached to these procedures.

Goods

Below $1,000 in value

Departments may obtain goods from a single source in the local area of Nova Scotia provided the price is considered fair and reasonable. The Corporate Purchasing Card should be used to streamline ordering and payment processes.

Between $1,000 & $5,000

Departments are to obtain three quotes from suppliers in the local area. Departments are encouraged to identify commodities that are suitable for standing offers so that supply support can be developed in local communities in Nova Scotia. The Corporate Purchasing Card should be used to streamline ordering and payment processes.

Above $5,000

Departments are to send a requisition to the Procurement Branch where the procurement officer responsible will take action to obtain the goods through the creation of a standing offer, or the issue of a separate tender, and advertise the tender on the Nova Scotia procurement website. The procurement officer, in consultation with the client department, will then make an award in the Corporate Financial Management System (CFMS).

Services and Construction

Below $1,000

Departments may obtain services from a single source in the local area of Nova Scotia, provided the price is considered fair and reasonable. The Corporate Purchasing Card should be used to streamline ordering and payment processes.

Between $1,000 & $10,000

Departments are to obtain three quotes from suppliers in the local area. Departments are encouraged to identify services that are suitable for standing offers so that these services can be developed in local communities in Nova Scotia. The Corporate Purchasing Card should be used to streamline ordering and payment processes.

Above $10,000

Departments are to send a requisition to the Procurement Branch where the procurement officer responsible will take action to obtain the service or construction through the creation of a standing offer or the issue of a separate tender, and advertise the tender on

the Nova Scotia Procurement website. The procurement officer, in consultation with the client department, will then make an award in CFMS/SAP.

Sole Source/Alternative Procurement Purchases

Below $5,000 - Goods/$10,000 - Services & Construction

Purchases may be made from a single source of supply as an alternative procurement practice, without quotes where the responsible manager has certified that the price is fair and reasonable and provides a justifiable and properly documented reason for the sole source. The responsible manager is defined as the person responsible for the applicable budget appropriation. An Alternative Procurement Practice Form is also to be sent to the Procurement Branch.

Above $5,000 - Goods/$10,000 - Services & Construction

Where a sole source purchase/alternative procurement practice is contemplated, the Procurement Branch and the department will review the request to assure the most appropriate procurement method and will then jointly seek the approval of the client department deputy minister, and record the approval on an Alternative Procurement Practice Form. In case or cases of disagreement between Procurement Branch and the department, the department's Deputy Minister shall make the final decision.

Report of Sole Source/Alternative Procurement Purchases

Reports identifying sole source/alternative procurement practices transactions undertaken will be provided by the Procurement Branch to the Minister of Transportation & Public Works on an annual basis.

Audits

Audits of any transaction regardless of value may be carried out by the Procurement Branch, internal auditors or the Auditor General. Procurement Branch audit results are reported to the Minister of Transportation & Public Works on an annual basis. Internal audit and Auditor General reports are to be actioned as directed by those organizations.

Audits may take the form of:

- compliance audit
- quality audit, and/or
- value for money audit

Departments are responsible to ensure that all procurement transactions are properly

authorized, recorded in the Provincial Corporate Financial Management System and supported by appropriate documentation. Repeated failure to comply with the Procurement Policy may result in the withdrawal of purchasing authority from an individual, Branch or Department.

Fair Treatment for Nova Scotia Suppliers

The Province of Nova Scotia is committed to ensuring that its supplier community receives fair treatment in their dealings elsewhere in Canada. To help ensure fairness the Procurement Branch, subject to relevant trade agreements, may consider and evaluate bids from other jurisdictions on the same basis that the Purchasing Authorities in those jurisdictions would treat a similar bid from a Nova Scotia supplier.

Where tenders are valued at less than trade agreement thresholds and where a reciprocal treatment assessment could result in a change in an award decision the Deputy Minister of the requesting department will be presented with the options available and will make the determination of which bid or bids will be awarded the contract.